

BYLAWS
OF
CAMBRIDGE PARK ADDITION PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I

Definitions

(A) "Addition" shall mean and refer to the property described in Exhibit "A" to the Covenants and as reflected on the plat set out on Exhibit "B" to the Covenants prepared by Design Engineers, Inc. dated October 21, 1992 and filed of record on the 2nd day of August, 1993, with the County Clerk in Oklahoma City, Oklahoma County, Oklahoma and which is otherwise noted as Cambridge Park Addition to the City of Oklahoma city, Oklahoma and any subsequent additions or modifications thereto.

(B) "Architectural Control Committee" or "Committee" shall mean and refer to the 3 individuals selected by the Developer or, after 60 single family residences in the Addition have been constructed and occupied elected by a majority vote of the Association at its next annual meeting, each member of the Committee being generally familiar with residential and community development design matters and knowledgeable about the Developer's concern for a high level of taste and design standards within the Addition.

(C) "Association" shall mean the Cambridge Park Addition Property Owners Association, which will have the power, duty and responsibility of maintaining and administering certain portions of the Addition and all of the Common Properties and administering and enforcing the covenants and restrictions set forth in Covenants and collecting and disbursing the assessments and charges hereinafter prescribed. The Association is a non-profit corporation organized under the Oklahoma Non-Profit Corporation Act.

(D) "Board" shall mean and refer to the Board of Directors of the Association.

(E) "Covenants" shall mean and refer to the document entitled "Restrictive Covenants and Bill of Assurance" recorded on ___ day of ___, 199_, in Book ___, Page ___ in the office of the Circuit Clerk and Ex-Officio Recorder for _____ District of _____ County, Oklahoma, as amended from time to time.

(F) "Developer" shall mean and refer to ERC Properties, Inc., an Arkansas corporation, and its successors and assign(s).

(G) "Lot" or "lots" shall mean and refer to any plot or tract of land which is designated as a lot on the plat which is attached to the Covenants and labeled Exhibit "B".

(H) "Member(s)" or "member" shall mean and refer to each owner of a Lot.

(I) "Owner" or "owner" shall mean and refer to each and every person or business entity who or which is a record owner of a fee or undivided fee interest in any lot. The word "Owner" shall not include person(s) or entity(ies) who hold a bonafide lien or interest in a lot as security merely for the performance of an obligation.

ARTICLE II

Location

The principal office of the Association shall be located at 815 Fort Street, Barling, Arkansas 72923, until such time as the Board, by majority vote, determines otherwise.

ARTICLE III

Membership

Section 1. Eligibility. Members of the Association shall be determined in accordance with Article II of the Covenants. The rights of Members are subject to (a) the payment of annual charges imposed by the Covenants, and (b) compliance with the provisions of the Covenants and the rules and regulations of the Board regarding the use of the Addition and the conduct of Members, their families and their guests. As provided in the Covenants, the voting and other membership rights of any Member may be suspended by action of the Board during any period when such Member shall have failed to pay any assessments then due and payable; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If the Board has adopted any published rules and regulations governing the use of Common Properties, or the personal conduct of any person thereof, the voting or other membership rights of any Member may be suspended by action of the Board in accordance with the provisions set forth in the Covenants, if he, any member of his family, or guests of any thereof shall have violated such rules and regulations.

Section 2. Rights and Perquisites of Membership. Each Member is entitled to the use and enjoyment of the Common Properties in accordance with the Covenants. Such rights may be delegated to and exercised by all members of his family who reside upon the Common Properties and the guests of any thereof. The Board may require, from time to time, each Member to notify the secretary of the Association in writing of the name and relationship to the Member of any person who shall be entitled to exercise such rights under this Section. The rights and privileges of such person are subject

to suspension by the board in the same manner and for the same reasons as those of any member under the preceding Section.

ARTICLE IV

Meetings of Members

Section 1. Annual Meetings. The annual meeting of the Members shall be held at any address specified in the notice of the meeting on the third Saturday in April of each year, at the hour of 9:00 A.M. commencing on the second Saturday in May of each year.

Section 2. Special Meetings. Special meetings of the Members for any purpose may be called at any time by the President, the Vice President, or by any three or more directors. The Secretary shall call a special meeting upon written request of the members representing one-fourth (1/4) of all of the votes of the entire membership.

Section 3. Notices. Notice of meetings shall be given to the Members by the Secretary. Notice may be given to the Member either personally, or by mailing a copy of the notice, postage prepaid, to the address appearing on the books of the Association. (Each Member shall register his address and any change in address with the Secretary.) Notice of any meeting, regular or special, shall be mailed not less than 10 nor more than 50 days in advance of the meeting and shall set forth the purposes of the meeting.

Section 4. Proxy Voting. At any membership meeting the presence, whether in person or by proxy, of Members entitled to vote representing not less than fifty percent (50%) of the total membership vote, shall constitute a quorum for the transaction of business. All proxies shall be in writing and filed with the Secretary at the commencement of the meeting. Any proxy given by a person who shall not be a qualified Member at the date of the meeting and any proxy given more than 2 months before the date of the meeting shall be void.

ARTICLE V

Board of Directors

Section 1. Membership and Powers. The Association shall be governed by a board of directors (the "Board") in accordance with Article VIII of the Articles of Incorporation of the Association. A condition to serving on the Board is that the Board member have an ownership interest in a Lot. Without limiting the generality of the preceding sentence, or any power vested in it by law or the Covenants, the Board shall have the power (a) to appoint and remove at its pleasure all officers, agents and employees of the

Association, prescribe their duties, fix their compensation and require of them security or fidelity bonds as it may deem expedient (nothing contained in these Bylaws shall be construed to prohibit the employment of any Member, officer or director of the Association in any capacity whatsoever); (b) to establish, levy, assess and collect assessments and all other charges referred to in the Covenants; (c) to adopt and publish rules and regulations governing the use of the Common Properties, and the personal conduct of Members, their family, their tenants, and their guests with respect thereto; (d) to exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those expressly reserved to the Members; and (e) in the event any member of the Board shall be absent from 3 consecutive regular meetings of the Board, the Board may by action taken at the meeting in which such third absence occurs declare the office of said absent Director to be vacant and proceed to elect his successor who shall then fill out the remaining term of the vacating director in accordance with Section 3 of this Article.

Section 2. Duties. In addition to the duties set forth in the Covenants, it shall be the duty of the Board (a) to cause to be kept a full, true and accurate record of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting when requested in writing by one-fourth (1/4) of the full membership; (b) to supervise all officers, agents and employees of this Association, and to see that their duties are properly performed; (c) in accordance with the Covenants (i) to fix the amount of assessments against each Lot as soon as may be practicable after the beginning of each calendar year; (ii) to prepare a register of each Lot and the assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member; and (iii) to send written notice of each assessment to every Owner subject thereto; (d) to issue or to cause an appropriate officer to issue, upon demand by any person, a certificate stating whether any assessment has been paid, which shall be conclusive that any charge stated therein has or has not been paid.

Section 3. Vacancies. Vacancies in the Board shall be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors and any such appointed director shall hold office for the unexpired term of his predecessor in office. Only a person having an ownership interest in a Lot may serve as a member of the Board.

ARTICLE VI

Directors' Meetings

Section 1. Annual Meetings. The annual meeting of the Board of Directors shall be held within 14 days following adjournment of the annual meeting of the Members in each year.

Section 2. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and places as the Board in its discretion deems necessary and proper.

Section 3. Notices; Waiver. At least 3 days written notice must be given for the annual or any regular meeting of the Board. Notice of any special meeting shall be sufficient if mailed to each director, postage prepaid, at his address as it appears on the records of the Association, at least 3 days before the meeting or given personally or by telephone or facsimile machine not later than the day before the meeting. No notice need be given to any director who attends the meeting, or to any director who in writing (before or after the meeting) waives such notice.

Section 4. Special Meetings. Special meetings of the Board shall be called by the Secretary upon request by any officer of the Association or by any 2 directors. The action of a majority of the Board, although not at a regularly called meeting, shall be valid and effective in all respects if the record of the meeting shall be assented to in writing by all members of the Board.

Section 5. Quorum. At all meetings of the Board, a majority of the Board shall constitute a quorum, and, except as otherwise provided by law or by these bylaws, the act of a majority of the directors present shall be the act of the Board.

ARTICLE VII

Election of Directors

Section 1. Ballots. The election of directors shall be by written ballot as hereinafter provided. At each annual meeting or at any special meeting called for the purpose of electing directors, the Members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to cast under the Articles of Incorporation of the Association and the Covenants. The nominees receiving the largest number of votes shall be elected. In order to serve, a director must qualify as a Member of the Association or be an officer of a corporate Member.

Section 2. Nominations. Nominations for election to the Board shall be made by any Member in good standing.

Section 3. Nominees. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies to be filled. Such nominations shall be made from among Members. Nominations shall be placed on a written ballot as provided in Section 4 and shall be made in advance of the time fixed in Section 4 for the mailing of such ballots to the Members.

Section 4. Procedure. All elections of the Board shall be made on written ballots which shall (a) describe the vacancies to be filled; (b) set forth the names of those nominated by the Nominating Committee for such vacancies; and (c) contain a space for a write-in vote by the members for each vacancy. Such ballot shall be prepared and distributed by the Secretary to the Members at the annual meeting or at any special meeting called for the purpose of electing directors.

Section 5. Voting. Each Member shall be given a ballot on which he or she may cast the number of votes to which he is entitled. The completed ballot shall be returned in the manner hereinafter outlined. The ballot shall bear on its face the name and signature of the Member, the number of votes being cast and such other information as the Board may determine will serve to establish this right to cast the vote or votes stated therein.

Section 6. Processing. Upon the receipt of the ballots, the ballots shall be turned over, unopened, to an election committee which shall consist of 3 persons appointed by the Board. The election committee shall adopt a procedure which shall (a) establish that the Member is entitled to cast either personally or by proxy, the number of votes indicated on the ballot; and (b) that the signature of the Member on the ballot is genuine; and (c) if the vote is by proxy, that the proxy has been filed with the Secretary as provided in Article IV, Section 4, and that such proxy is valid. After the procedure has been completed relative to a ballot the count of the vote shall be taken. All ballots and proxies as well as any continuing tally of the votes shall be kept by the election committee, when not being processed, in a safe place. The ballots shall be retained for 30 days after the meeting and then destroyed.

ARTICLE VIII

Officers

Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The President, Secretary and Treasurer shall be members of the Board.

Section 2. Election by Board of Directors. All officers shall be elected at the annual meeting of the Board, and each officer shall hold office until the next annual meeting of the

Board and until his successor shall have been duly elected and qualified or until his earlier death, resignation, or removal in accordance with these by-laws. The officers shall be chosen by a majority vote of the directors.

Section 3. President; Duties. The President shall be the chief executive officer of the Association and as such shall have general supervision of the affairs and property of the Association and over its officers, subject to the direction of the Board. The President shall, if present, preside over all meetings of the Board, and shall generally do and perform all acts incident to the office of President. He may sign in the name and on behalf of the Association all notes, leases, mortgages, deeds, easements, agreements, contracts and instruments authorized by the Board, except where the Board shall delegate the execution thereof to some other officer or agent of the Association.

Section 4. Vice President; Duties. The Vice President shall perform all of the duties of the President in the event of his absence or disability, and when so acting shall have all of the powers and be subject to all restrictions placed upon the President.

Section 5. Secretary; Duties. The Secretary shall act as secretary of the Board and shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. He shall sign all certificates of membership. He shall keep the records of the Association. He shall record the names and addresses of all Members of the Association, shall see that all notices are duly given as required by the bylaws or applicable law, and shall be the custodian of the corporate seal.

Section 6. Treasurer; Duties. The Treasurer shall receive and deposit in bank accounts approved by the board all monies of the Association and shall disburse such funds as directed by a resolution of the Board; provided, however, that a resolution of the Board shall not be necessary for the disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer shall sign all checks and notes of the Association.

Section 7. Books and Account. The Treasurer shall keep proper books of account and cause an annual audit of the Association's books to be made at the completion of each fiscal year if the Board so directs. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its annual meeting.

ARTICLE IX

Committees

Section 1. Standing Committees. Standing committees of the Association shall be the nominating committee, the maintenance and security committee, the architectural control committee and the audit committee. Unless otherwise provided herein, each committee shall consist of a chairman and 2 or more members as determined by the board, at least one of whom shall be a director. Each committee shall be appointed by the Board of Directors at its annual meeting to serve until the next annual meeting of the board and until its successor shall have been duly elected and qualified, except that the nominating committee shall be appointed in accordance with Article VII (2) hereof. The Board of Directors may appoint such other committees as it deems desirable.

Section 2. Maintenance and Security Committee. The maintenance and security committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair, security or improvement of the Common Properties and shall perform such other functions as the Board, in its discretion, determines.

Section 3. Architectural Control Committee. The architectural control committee shall perform all of those duties and responsibilities delegated to it as set forth in the Covenants.

Section 4. Audit Committee. The audit committee shall supervise the annual review of the Association's books and approve the annual budget and balance sheet statements to be presented to the Members at their annual meetings. The Treasurer shall be an ex-officio member of the committee.

Section 5. Subcommittees. With the exception of the nominating committee, each committee shall have the power to appoint a subcommittee from among its membership and may delegate to any subcommittee any of its powers, duties and functions.

Section 6. General Duties. It shall be the duty of each committee to receive complaints from the Members on any matter involving Association functions, duties and activities within the field of its responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

ARTICLE X

Books and Papers

The books and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member.

ARTICLE XI

Corporate Seal

The Association may, at the discretion of the Board of Directors, adopt a seal in circular form.

ARTICLE XII

Amendments

Section 1. Amendment Procedure. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of the majority of a quorum of the Members present in person or by proxy, provided that those provisions of these bylaws which are covered by the Articles of Incorporation and/or the Covenants of this Association may not be amended except as provided in the Articles of Incorporation, the Covenants or applicable law; and provided further that any matter stated herein to be or which is in fact covered by the Covenants may not be amended except as provided therein.

Section 2. Resolution of Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Covenants and these Bylaws, the Covenants shall control.

ADOPTED this ____ day of April, 1994.

CAMBRIDGE PARK ADDITION PROPERTY OWNERS ASSOCIATION

By: _____
Secretary

Director

Director

Director

Director

Director

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4 Directors
Pres. Jim M...
Sec. Jim V.A.
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